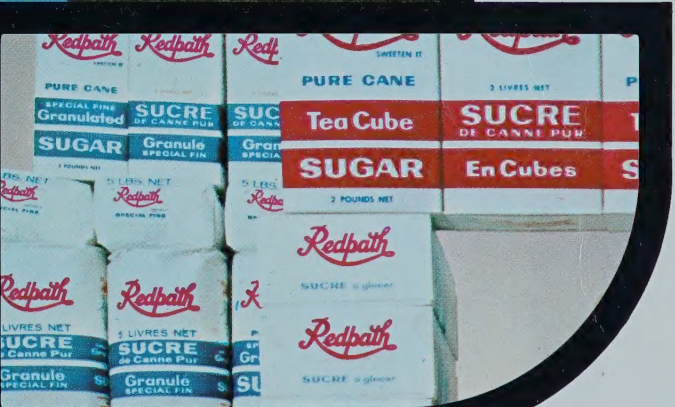
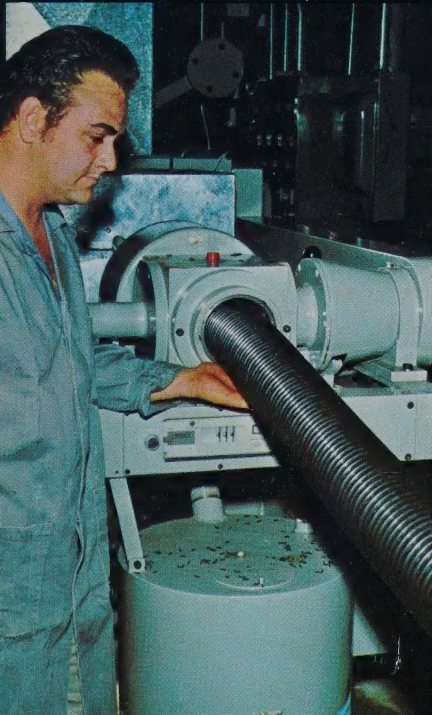


Canada and  
Dominion  
Sugar Company  
Limited

Annual Report  
for the year  
ended September 30  
1970

AR47





## Five Year Review

Income	1970	1969	1968	1967	1966
Income before taxes (Includes extraordinary item)	\$ 8,296,874	\$ 8,479,421	\$ 8,151,335	\$ 6,641,728	\$ 6,955,812
Taxes on income	3,250,000	3,600,000	3,650,000	3,050,000	3,600,000
Net income	5,046,874	4,879,421	4,501,335	3,591,728	3,355,812
Per share	3.26	3.15	2.90	2.32	2.17
Dividends paid	2,635,000	2,635,000	2,170,000	2,170,000	1,860,000
Per share	1.70	1.70	1.40	1.40	1.20
<b>Financial Position</b>					
Working capital	13,669,348	15,356,424	16,273,208	16,903,978	21,222,127
Land, buildings, plant and equipment	54,447,417	52,878,063	51,615,634	57,131,661	56,790,637
Accumulated depreciation	23,154,667	21,880,270	20,674,036	25,813,425	24,686,374
Deferred income taxes	6,800,000	7,500,000	8,900,000	8,500,000	9,000,000
Long-term debt	4,061,165	5,519,718	5,645,265	4,700,000	4,741,000
Shareholders' equity	46,454,057	44,042,183	41,797,762	41,447,919	40,026,191
Per share	29.97	28.41	26.97	26.74	25.82

### Cover Story

Operating divisions and subsidiaries of Canada and Dominion Sugar Company Limited are in a diversified group of industries and in many areas of Canada. The photographs on the front and back covers of the Annual Report depict some of the major operations. Top left on the front cover is corrugated Daymond pipe being produced at St. Lazare, Quebec. Top right are the first houses in the Chatham, Ontario, housing development of

the Redpath Division. Lower left graphically illustrates the Badger Minor, framed by agricultural drain pipe. Bottom right shows some of the products produced by the Redpath Division. Back cover, top left, illustrates a process at Cello Bags Limited, Toronto, which makes plastic packaging. Top right is the plastic injection plant of Daymond Limited at Centralia, Ontario. Bottom picture is extruded aluminum channels at Chatham, Ontario.



**Canada and  
Dominion  
Sugar Company  
Limited**

Head office  
4 Phyllis Avenue, Chatham, Ontario  
Executive Offices  
1720 Canal Street,  
Montreal 104, Quebec

**Directors**

Hon. Louis P. Beaubien  
Montreal, Quebec  
Director  
The Empire Life Insurance Company

G. E. Ellsworth  
Toronto, Ontario  
Company Director

James M. Ferguson  
San Francisco, California  
President  
Pacific Molasses Company

Hon. G. B. Foster, Q.C.  
Montreal, Quebec  
Senior Partner  
Foster, Leggat, Colby & Rioux

C. F. Harrington  
Montreal, Quebec  
Chairman, The Royal Trust Company

Colin Lyle  
London, England  
Director, Tate & Lyle Limited

J. H. Magee  
Montreal, Quebec  
Vice President  
Canada and Dominion  
Sugar Company Limited

M. D. Oliphant  
London, England  
Director, Tate & Lyle Limited

W. H. Punchard  
Chatham, Ontario  
Company Director

W. W. Sprague, Jr.  
Savannah, Georgia  
Vice President  
Savannah Sugar Refining Corp.

H. S. Tate  
Montreal, Quebec  
Managing Director  
Canada and Dominion  
Sugar Company Limited

J. O. Whitmee  
London, England  
President  
Canada and Dominion  
Sugar Company Limited

**Officers**

Hon. G. B. Foster, Q.C.  
Chairman

J. O. Whitmee  
President

H. S. Tate  
Managing Director

M. W. Davidson  
Vice President

J. H. Magee  
Vice President

R. R. Porteous  
Vice President

N. M. Shaw  
Vice President

R. G. Brownridge, C.A.  
Treasurer

J. E. Wood  
Secretary

**Shareholders' Annual Meeting**

The annual general meeting of the shareholders will be held in Montreal at the Château Champlain Hotel on Tuesday, January 26, 1971, at 11:30 a.m. E.S.T. Following the meeting, a buffet luncheon will be served.

On peut se procurer l'édition française de ce rapport en écrivant au secrétaire de Canada and Dominion Sugar Company Limited, C.P. 490, Montréal 101, (Québec).



## Report of the Board of Directors to the Shareholders

### Highlights of the Year

Both sales volume and earnings continued to increase for the fourth consecutive year though 1970 has not been entirely satisfactory and the Company has not been able to expand as much as had been anticipated. Net income amounted to \$5,046,874, or \$3.26 per share on sales of \$74,746,107, compared with earnings of \$4,879,421, or \$3.15 per share on sales of \$64,300,366 the previous year. Most of the increase in dollar value of sales can be attributed to higher raw sugar prices.

During 1970, dividends were paid at the regular quarterly rate of 42½ cents per share. In October 1970, the Board increased the quarterly dividend to 45 cents per share.

The refined sugar operations of Redpath continued to keep pace with the growth of the Canadian population and this division was the major contributor to the financial success of the Company during the year under review.

Economic conditions throughout the country have been far from favourable during the past year. The building and construction industries experienced a serious reduction of work and, largely as a result of this, Daymond did not make the financial progress anticipated. A consolidation of manufacturing, marketing and distribution facilities,

together with the elimination of unprofitable products, is being carried out. The more profitable activities, particularly the production of corrugated flexible polyethylene pipe for agricultural drainage and construction projects, have been significantly expanded. The cumulative effect of these actions, plus additional operational economies made since the end of the fiscal year should ensure the establishment of Daymond as a profitable division of the Company in 1971.

Introduction of the Badger System, the unique trenchless method of laying pipe, was continued throughout Canada with the addition of Badger Minor units in Western Canada and in the border area of Quebec and Ontario. Acceptance of the Badger System by a variety of users substantiates the Company's opinion that there is profit potential for this new method of burying pipe.

During the year, two new undertakings further expanded and diversified the Company's operations. Initial steps have been taken to develop surplus Company-owned land in Chatham as a residential sub-division and the first five houses have been completed. Acquisition of Cello Bags Limited, a Toronto firm producing, processing and printing plastic packaging materials, was completed for cash. A very satisfactory return on

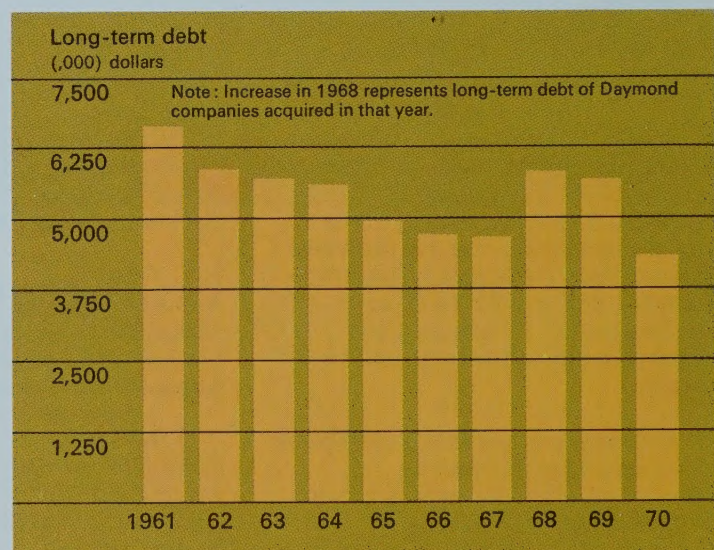
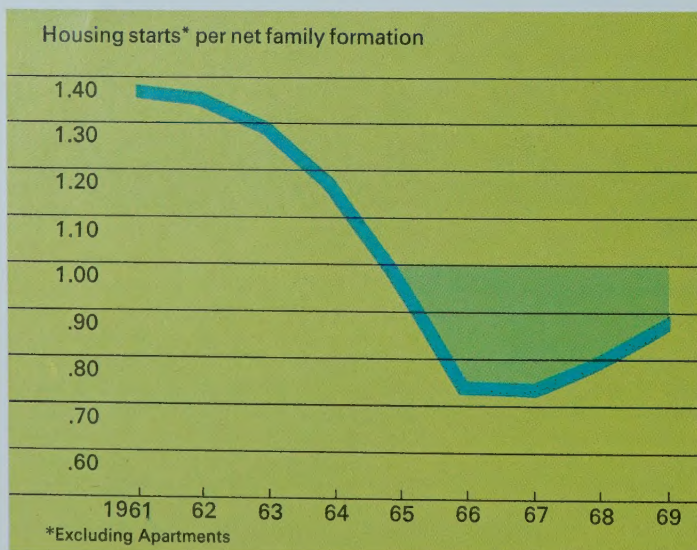
investment is anticipated for this small but important diversification.

### Financial Review

The consolidated financial statements for this year include the accounts of Cello Bags Limited and incorporate its earnings from the date of acquisition, August 1, 1970. The fiscal year-end of Daymond was changed during the year from July 31 to September 30 and the Statement of Consolidated Income includes the results for a fourteen month period. Neither of these factors had any significant effect on the consolidated earnings for the year.

The value of the stocks of raw and refined sugar for income tax purposes substantially exceeds the value at which it is carried in the accounts at September 30, 1970 whereas at the end of the previous year, these values were substantially the same. The amount of income tax of \$481,000 relative to this difference has been included in current assets.

The Company's accounting policies in respect to fixed asset depreciation differ from those used for income tax purposes. As a result, in the past, income taxes provided through the income statement have generally exceeded taxes actually payable, the excess being carried as a liability on the Balance Sheet under the caption





"Deferred Income Taxes". However, income taxes payable in respect of the fiscal years 1970 and 1969 have exceeded amounts charged against income and accordingly the differences of \$700,000 and \$1,400,000 respectively have been drawn from this account.

Sinking fund debentures with a par value of \$1,492,000 were bought for cancellation. The profit realized on redemption amounted to \$326,051 and has been shown as extraordinary income. The sinking fund requirements of this issue have now been satisfied up to 1976.

Dividend income from investments in affiliated companies totalled \$1,714,800, most of which has been re-invested in these companies which own ships and trade in raw sugar, and which continue to make a satisfactory contribution to income.

Fixed assets additions totalled \$1,803,237 in 1970 and anticipated expenditures in 1971 will aggregate approximately \$2,300,000.

## Redpath Division

### Marketing

In spite of reduced exports, largely due to unsettled conditions in the Caribbean, the division's total sales reached a new record high.

The increase in sales is partly due to the larger total market created by

normal population growth but some of the increase can be attributed to the ban on the use of cyclamates and the more recent suspicions cast on saccharin.

Close attention has been paid to the agreement reached between the Prices and Incomes Commission and representatives of industry. Every effort has been made to minimize price advances by countering increased costs with productivity improvements wherever possible.

During 1970, a new individual service pack was introduced. This is in a conveniently handled tube form and its use has been extended to salt and pepper in addition to sugar. C. & D. has the exclusive rights to its use in Canada and hopes to develop its application to many other suitable food products.

The Company has also obtained the Eastern Canadian marketing rights for 20/10, the only available non-inflammable, non-toxic windshield washer fluid for both summer and winter use.

### Manufacturing

The Company is now obtaining the benefits of the expansion carried out at the Toronto refinery last year and it is doubtful whether there is any other sugar refinery equal to it in terms of productivity.

Modernization of the Montreal refinery continued during 1970 with the

installation and commissioning of a fully automated affination station.

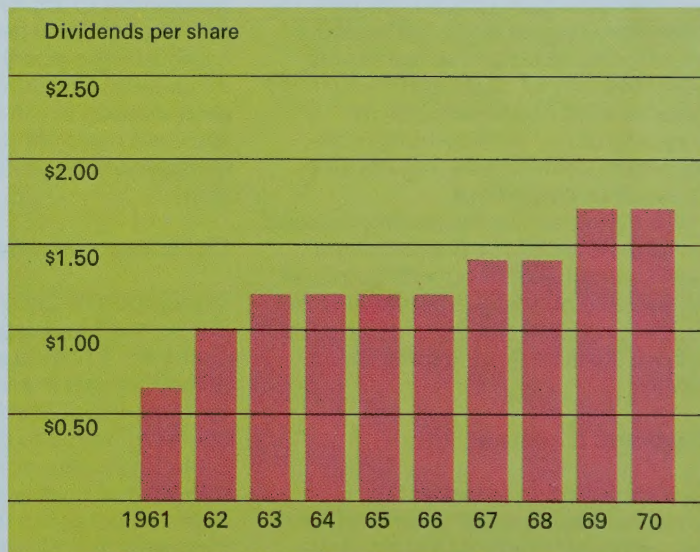
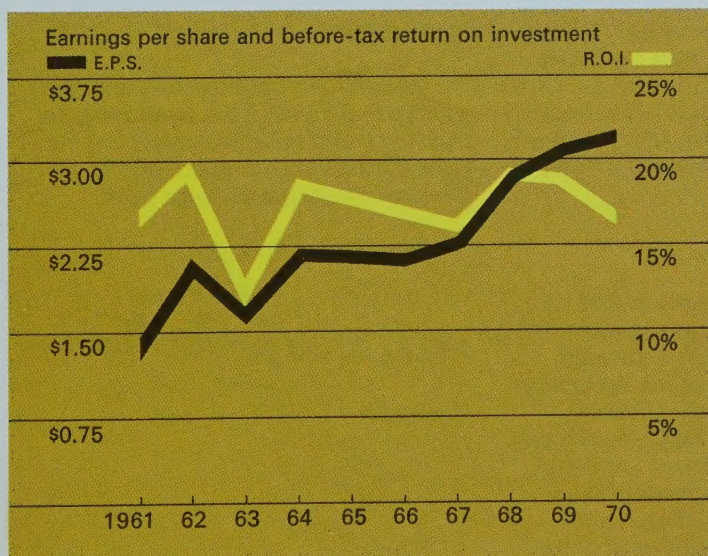
To maintain the best possible service to our customers, new, modern additions have been made to the transport fleet, which now numbers over 65 units.

### Raw Sugar

The International Sugar Agreement has resulted in a relatively stable raw sugar market.

#### Raw Sugar Imports by C. & D.

	1964	1970
	(Per cent of total receipts)	
Jamaica	26.1	—
Trinidad	14.3	—
British Honduras	.7	7.3
St. Kitts	2.2	—
Guyana	2.2	—
Natal	17.7	21.6
Mauritius	18.6	19.8
Queensland	5.0	20.1
Swaziland	—	11.2
Rhodesia	9.1	—
Cuba	—	7.6
Russia	—	6.1
India	—	6.3
Mexico	2.0	—
Dominican Republic	2.1	—
Total:	100.0	100.0





The London Daily Price, the base used for purchasing and pricing, rose from £18 at the time of the completion of the agreement in October 1968 to £40 in June 1970. Since then it has only moved in the range £40 to £44.

While the necessary supplies for the refineries have always been obtained, purchasing has at times been difficult and the pattern of sources of supply shows an appreciable change.

It is disappointing that supplies from the West Indies have dropped so much but it should be noted that this is because the sugar was not available and in no way reflects a change in purchasing policy.

The Tariff Board completed its review of sugar import duties early in the year but it is not expected that recommendations will be announced until the Spring of 1971.

#### *Other Redpath Division Developments*

The Company has some desirable real estate in Wallaceburg and Chatham, formerly used for beet sugar operations.

Some of the Chatham property has been re-zoned for residential use and the first phase of a 10-year housing development has been started with five houses already completed. The services of the Badger Systems Division and Daymond products are playing an important part in the whole project.

The plans call for the building of nearly 400 medium-priced, single family dwellings and it is hoped to create the most attractive residential area in the City of Chatham.

Application has been made for re-zoning of our Wallaceburg property where a similar housing development will be carried out.

There has been an increasing demand for the services of our Research and Development staff in outside activities and some remunerative consulting and engineering work has been developed in those areas where we have special abilities.

#### **Daymond Division**

It is disappointing to report that Daymond experienced another difficult year with poor financial results. Sales

volume rose slightly over the previous year but margins on a number of the company's products were reduced and there was a net loss of \$398,544.

In view of the continuing tight margins, management is implementing plans to rationalize some plant and administrative operations. Reduced construction activity and a slower economic climate affected a number of the company's product lines directed to the construction industry and manufacturers.

In July, the company opened a plant in St. Lazare, Quebec, to produce polyethylene corrugated pipe. The product has had immediate acceptance. The company has obtained exclusive Canadian rights to the Hegler process for the manufacture of spiral corrugated plastic pipe which has the unique facility of allowing fast strong coupling. This pipe is already being produced in the Chatham, Calgary and St. Lazare plants. The Drain, Waste and Vent fittings produced at Centralia have proved to be a disappointing new product line. Excellent acceptance by the trade has resulted in too many producers with consequent over-capacity and price erosion.

In 1971, the consolidation of product lines, manufacturing facilities, marketing and administration organization, commenced in 1970, will be completed. Action will be taken in these areas to improve financial results for the short term period while establishing a positive base for future expansion. Unless there is further deterioration in the Canadian economy, there is a reasonable prospect that the division will be profitable in the coming year.

#### **Cello Bags Division**

Acquisition of Cello Bags Limited during the fiscal year was a result of the Company's plan to expand through diversification in areas complementary to its business. Although relatively small compared to the major converters, Cello Bags has a consistent record of growth and quality products in the flexible packaging field, and manufactures a significant volume of prod-

ucts used by both Redpath and Daymond. At the 1970 Flexible Packaging Competition, Cello Bags won two silver medals, one for their multi-use plastic bag for C.P. Hotels and the other for bakery family design.

#### **In Memoriam**

It is with regret that we record the following deaths during the year. Sir Peter Runge of London, England, Vice-Chairman of Tate and Lyle Limited, and Jack Pembroke, Chairman, The Royal Trust Company were both Directors for several years. Their wise counsel and great interest in the Company will be sadly missed. F. R. Daymond, who founded the Daymond Company in 1939 and guided it through its formative years, died shortly after his retirement.

#### **Appointments**

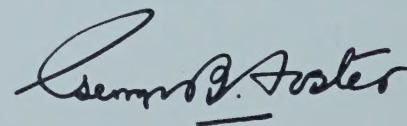
Mr. Colin Lyle, Director of Tate & Lyle, has recently been appointed to the Board. Mr. C. F. Harrington, Chairman of The Royal Trust Company, was elected to the Board at last year's Annual Meeting of Shareholders.

The Company reluctantly accepted the resignation of Mr. F. N. Wilson, Vice-President and Treasurer. Mr. R. G. Brownridge, formerly Corporate Controller, was appointed Treasurer.

#### **Appreciation**

On your behalf, the Directors express sincere thanks to all the employees for their loyal and effective service which contributed to the success of the Company through the past year.

On behalf of the Board,



Chairman



**Canada and Dominion Sugar Company Limited  
and its Subsidiaries**

**Statements of Consolidated Income  
and Retained Earnings**

Year ended September 30, 1970  
(with comparative figures for 1969)

	1970	1969
<b>Income:</b>		
Sales and other income —		
Sales	\$74,746,107	\$64,300,366
Investment income (including dividends from affiliated companies of \$1,714,800 in 1970 and \$1,616,000 in 1969)	1,962,818	1,893,821
	<u>76,708,925</u>	<u>66,194,187</u>
Deduct:		
Cost of goods sold	57,579,643	48,110,431
Selling, distribution and administration expenses	10,901,740	9,310,769
Interest on long-term debt	256,719	293,566
	<u>68,738,102</u>	<u>57,714,766</u>
Income before taxes	7,970,823	8,479,421
Taxes on income	<u>3,250,000</u>	<u>3,600,000</u>
Income before extraordinary item	4,720,823	4,879,421
Extraordinary item:		
Profit on purchase of sinking fund debentures	326,051	—
Net income	<u>\$ 5,046,874</u>	<u>\$ 4,879,421</u>
Earnings per share		
Income before extraordinary item	\$3.05	\$3.15
Net income	<u>\$3.26</u>	<u>\$3.15</u>
<b>Retained Earnings:</b>		
Balance, beginning of year	\$22,009,927	\$19,765,506
Add net income	5,046,874	4,879,421
	<u>27,056,801</u>	<u>24,644,927</u>
Deduct dividends paid	2,635,000	2,635,000
Balance, end of year	<u>\$24,421,801</u>	<u>\$22,009,927</u>

The accompanying notes are an integral part of these financial statements.

**Canada and Dominion Sugar Company Limited  
and its Subsidiaries**

**Consolidated Balance Sheet**

September 30, 1970

(with comparative figures for 1969)

**1970**

**1969**

**Assets**

Current :

Cash	\$ —	\$ 288,281
Temporary investments — at cost which approximates market value	277,671	3,666,765
Accounts receivable (including affiliated companies \$141,708 in 1970 and \$241,394 in 1969) less allowance for doubtful accounts	7,908,605	6,940,448
Inventories (note 2)	22,187,398	24,025,414
Deferred income tax charges	481,000	—
Prepaid expenses	442,589	306,304

Total current assets	<u>31,297,263</u>	<u>35,227,212</u>
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Investments (note 3)	<u>12,353,124</u>	<u>10,707,684</u>
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Fixed : (note 4)

Land, buildings, plant and equipment	54,447,417	52,878,063
Less accumulated depreciation and amortization	23,154,667	21,880,270

	<u>31,292,750</u>	<u>30,997,793</u>
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	<u>\$74,943,137</u>	<u>\$76,932,689</u>
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On behalf of the Board :  
G. B. Foster, Director  
H. S. Tate, Director



	1970	1969
<hr/>		
<b>Liabilities</b>		
Current :		
Due to bankers	\$ 2,474,430	\$ 910,000
Accounts payable and accrued charges (including affiliated companies \$2,469,693 in 1970 and \$68,705 in 1969)	14,260,836	15,897,675
Income taxes payable	682,993	2,940,566
Long-term debt due within one year	209,656	122,547
	<hr/>	<hr/>
Total current liabilities	17,627,915	19,870,788
Deferred income taxes	6,800,000	7,500,000
	<hr/>	<hr/>
Long-term debt (note 5)	4,061,165	5,519,718
	<hr/>	<hr/>
Shareholders' equity :		
Capital –		
Authorized :		
3,000,000 shares of no par value		
Issued :		
1,550,000 shares	14,800,000	14,800,000
Increment arising from revaluation of fixed assets	6,232,256	6,232,256
Distributable surplus set aside on organization of company	1,000,000	1,000,000
Retained earnings	24,421,801	22,009,927
	<hr/>	<hr/>
	46,454,057	44,042,183
	<hr/>	<hr/>
	\$74,943,137	\$76,932,689
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.



**Canada and Dominion Sugar Company Limited  
and its Subsidiaries**

**Statement of Consolidated Source  
and Use of Funds**

Year ended September 30, 1970  
(with comparative figures for 1969)

		1970	1969
<hr/>			
<b>Source of funds:</b>			
	Operations—		
	Net income for the year	\$5,046,874	\$4,879,421
	Depreciation and amortization	1,753,993	1,611,071
	Deferred income taxes	(752,470)	(1,400,000)
		<hr/>	<hr/>
		6,048,397	5,090,492
	Disposal of fixed assets and other investments	146,116	279,705
	Decrease in working capital	1,687,076	916,784
		<hr/>	<hr/>
		\$7,881,589	\$6,286,981
		<hr/>	<hr/>
<b>Use of funds:</b>			
	Investment in affiliated companies	\$1,650,000	\$1,600,000
	Investment in Cello Bags Limited net of working capital acquired	312,299	—
	Additions to plant and equipment	1,803,237	1,926,434
	Payment of dividends	2,635,000	2,635,000
	Retirement of long-term debt	1,481,053	125,547
		<hr/>	<hr/>
		\$7,881,589	\$6,286,981
		<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements.



# Canada and Dominion Sugar Company Limited and its Subsidiaries

## Notes to Consolidated Financial Statements

September 30, 1970

### 1. Principles of consolidation :

The consolidated financial statements include the accounts of all subsidiary companies which are all wholly-owned except for an insignificant minority interest.

The accounts of Cello Bags Limited are included from the date of its acquisition, August 1, 1970. The Daymond group of companies changed their fiscal year-end from July 31 to September 30 and the consolidated financial statements include the results of their operations for the fourteen month period, a change which had no significant effect on net income.

### 2. Inventories :

	1970	1969
Sugar	\$18,190,101	\$20,552,035
Other	3,997,297	3,473,379
	<u>\$22,187,398</u>	<u>\$24,025,414</u>

Sugar — A fixed tonnage of raw sugar equivalent is valued at a basic price per ton (which did not exceed market price at September 30, 1970) and the remaining inventories of sugar are valued at the lower of cost and market.

Other — Raw materials, work in process and finished goods (other than sugar) and supplies are valued at the lower of cost and market.

### 3. Investments :

	1970	1969
In affiliated companies	\$11,702,200	\$10,052,200
In mortgages, notes and other items at the lower of cost and estimated realizable value	650,924	655,484
	<u>\$12,353,124</u>	<u>\$10,707,684</u>

The investment in affiliated companies is carried at cost. At September 30, 1970, the underlying equity was approximately equal to the carrying value (at September 30, 1969, the underlying equity exceeded the carrying value by \$675,000).

### 4. Fixed Assets :

	Fixed assets	Accumulated depreciation and amortization
Land	\$ 3,065,071	\$ —
Buildings	18,195,003	7,635,989
Plant and equipment	33,187,343	15,518,678
	<u>\$54,447,417</u>	<u>\$23,154,667</u>

Fixed assets are stated at replacement cost at October 1, 1961 as determined by Canadian Appraisal Company Limited, with subsequent additions at cost, except for assets not in use which are carried at their estimated realizable value. As a result of this appraisal the value at which fixed assets are stated includes approximately \$4,000,000 which, under existing legislation, will not constitute an allowable deduction in computing income for income tax purposes.

### 5. Long-term debt :

	1970	1969
5% Sinking fund debentures due July 15, 1978 (debentures totalling \$1,693,000 have been purchased and cancelled in advance of sinking fund requirements)	\$3,185,000	\$4,677,000
5% Serial debentures repayable \$84,474 annually to December 15, 1974	422,363	506,837
7½% Mortgage loan repayable \$69,880 including interest, annually to October 17, 1977	395,355	433,428
5% Serial notes repayable \$69,200 annually to April 16, 1973	208,103	—
Other	60,000	25,000
	<u>4,270,821</u>	<u>5,642,265</u>

Less portion due within one year included in current liabilities	209,656	122,547
	<u>\$4,061,165</u>	<u>\$5,519,718</u>

### 6. Contingencies and commitments :

Contingent liabilities under letters of credit amount to approximately \$700,000 (1969 — \$700,000).

Commitments for the acquisition of equipment aggregate approximately \$210,000.

### 7. Statutory :

Depreciation and amortization of \$1,753,993 (1969 — \$1,611,071) and remuneration of \$336,000 (1969 — \$307,300) to directors and senior officers have been deducted in determining income before taxes.

## Auditors' Report

To the Shareholders of  
Canada and Dominion Sugar  
Company Limited :

We have examined the consolidated balance sheet of Canada and Dominion Sugar Company Limited and its subsidiaries as at September 30, 1970 and the statements of consolidated income, retained earnings and consolidated source and use of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the companies as at September 30, 1970 and the results of their operations and the source and use of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Clarkson, Gordon & Co.  
Chartered Accountants

Montreal, Canada,  
November 6, 1970.



## Canada and Dominion's Role in the Canadian Economy

From its inception as Canada's first refiner of raw sugar in the City of Montreal in 1854, Canada and Dominion Sugar Company Limited has played an important role in the economy of this country . . . a role that has steadily grown throughout its 116-year history.

When John Redpath opened his refinery along the banks of the Lachine Canal, a canal he was partially instrumental in building, he launched a new era in the industrial life of Montreal and Lower Canada. His plant was one of the first manufacturing operations to be established in that city and was the start of a brand new business in Canada. The company is still operating from the original site.

From that day onward, its role in the Canadian economy has steadily grown, as Canada has grown, until today it is an integral and important factor in an industry producing in excess of two billion pounds of refined sugar annually. The sugar industry in this country today provides employment for more than 3,000 people who earn in excess of \$31,000,000 in wages and benefits. Its raw material purchases in Canada annually amount to more than \$25,000,000. Total investment in sugar industry in Canada today represents \$250,000,000.

The contribution made by Canada and Dominion to these industry figures, through its Redpath Division, are equally impressive.

Its sugar refining and marketing operations alone currently provide employment for 700 people who earn more than \$5,500,000 in wages and benefits. Its purchases of material made in Canada amount to more than \$15,000,000. Taxes at all levels for federal, provincial and municipal expenses exceed \$5,000,000.

But this is not all. The Redpath Division of the Company, together with other Canada and Dominion operations, enables Canada and Dominion to pay its 3,200 shareholders dividends totalling more than \$2,600,000.

The contributions of the sugar refining operations of the company cannot, however, be measured in mere figures alone. Consider the impact it



Top left : a ship unloads raw sugar at the Toronto refinery. Top right : constant laboratory checking ensures quality refined sugar.

Centre : computer-controlled equipment makes the Toronto Redpath refinery one of the world's most efficient.

Bottom : hundreds of tons of brown and yellow sugar are packaged annually in the Montreal Redpath refinery.







Top : a fleet of tankers deliver sugar in both liquid and bulk form from Montreal and Toronto refineries to a wide variety of commercial consumers in eastern Canada.  
Centre left : miles and miles of plastic pipe for many uses are extruded annually by Daymond at the Chatham, Ontario plant.  
Centre right : PVC plastic pipe is moved to storage at the modern Calgary, Alberta, plant of Daymond Limited.  
Bottom : workmen at the Chatham foundry of Daymond cast aluminum ingots for use in the extruding operations.

has on more tangible segments of the economy.

When the Montreal refinery commenced operations, it produced one product . . . refined raw sugar in a loaf form, a hard white cone, ideal for shipping but a product which had to be broken or smashed before it reached the consumer's table.

Today, modern refineries in Montreal and Toronto still produce refined raw sugar but in more forms and for more uses than even the most vivid imagination could have conceived even a century ago. The Toronto Redpath refinery, located on the waterfront, is among the most technically advanced modern sugar refineries in the world and the largest Ontario importer of overseas bulk cargoes.

It would be difficult to convince the sophisticated consumer of today that virtually everything he eats . . . most of what he drinks (including alcoholic beverages) . . . some of the leathers he may wear . . . explosives he may use . . . adhesives he may stick with . . . pharmaceuticals and vitamins his doctor may prescribe . . . and foods for his pets and livestock . . . all contain that essential source of energy . . . sugar.

Huge modern tanker trucks daily deliver throughout Eastern Canada vast quantities of liquid and bulk sugar to a multitude of industries for use in their processes and products . . . food processors, bakers, confectionery manufacturers, soft drink bottlers of course . . . as well as to tobacco factories, distilleries, wineries, meat packers, and pharmaceutical houses, as well as flour mills, dairies and cheese factories.

All of this in addition to the millions of pounds distributed directly to the consumer as granulated white sugar, brown sugar, yellow sugar and sugar cubes, through the retail outlets of the country, at prices little more than they were 50 years ago.

Yes, the Redpath Division plays a major role in the economy of the country. This is, however, only a segment of the total contribution made by the overall operations of Canada and Dominion.

Recognizing that continued growth of its sugar business was predicated



upon the growth of Canada's population . . . (per capita consumption has remained relatively constant for many years) . . . Canada and Dominion embarked upon a program of expansion through diversification in 1967.

Today, the Company is an important factor in the plastic and aluminum extrusion and fabrication field ; has introduced new techniques in the field of agricultural drainage as well as the laying of pipelines, conduits and communications cables and services for housing developments and industry ; is providing professional consulting services in specialized agricultural areas ; and, more recently, embarked upon a housing development program, as well as entering the packaging industry.

While none of these individually play as important a role in the economy as does Canada and Dominion's Redpath sugar, their combined roles are significant.

Daymond Limited, acquired in 1967, is a producer of extruded aluminum and plastic products, all playing an important part in the housing, construction and agricultural fields.

Daymond plants in Chatham and Centralia in Ontario ; in St. Lazare, Quebec ; in Calgary, Alberta ; and in Vancouver, British Columbia, produce countless products which play a vital role in the construction industry, in agriculture and in housing.

Thousands of feet of plastic pipe daily flow from Daymond plants to housing developments for plumbing and drainage ; to construction projects for water mains, sewer systems, oil pipelines, gas lines, power lines and communications systems. More than ten million feet of a specialized polyethylene corrugated and perforated four inch plastic pipe was manufactured during the past year alone, mainly for agricultural drainage systems and for the construction industry in many parts of Canada.

Aluminum siding, shutters and eavestroughing from Daymond are found on homes in many Canadian developments, as are Daymond storm windows, door trim, plastic tile and bathtub enclosures.

Even many of the appliances found inside the home owe part of their attractive appearance to special trims and parts produced by Daymond.

Agricultural drainage systems, installed in over 1,540 acres in Ontario, Quebec and Western Canadian farms using the unique trenchless method developed by the Badger System Division of Canada and Dominion, will have long-range effects on the economy through bigger and better crops from well-drained lands.

This same Badger System is contributing to lower costs of land development through this less costly method of installing mains, services and communications systems.

Even these are not all of the contributions the Company as a whole is making to the Canadian economy.

By utilizing many of its existing assets and skills, Canada and Dominion has been able, during the past year, to contribute to alleviating the serious housing shortage facing Canadians. Land, surplus to manufacturing and processing operations in Chatham, Ontario, is being developed as a housing project. When completed in ten years, it will be a development of more than 110 acres. A similar project is planned in Wallaceburg subject to a favourable response to the company's application for rezoning which has so far caused a three-year delay. For this project, the Badger System was used to install water mains and services. Daymond plastic and aluminum products played a major part in the construction of these homes, as they do in many other housing projects. Built by local contractors, the housing program is helping to provide employment for people in Southwestern Ontario.

Recently, in keeping with a policy of diversification into familiar fields, Canada and Dominion entered the packaging business with the acquisition of Cello Bags Limited. This company, with operations in Toronto, specializes in the production of plastic films which it processes into packaging materials for Canadian industries and even for the consumer. An important product is the lowly, but increasingly popular plastic garbage bag.



Top : a Badger Minor lays plastic water mains in the Chatham housing development of the Redpath Division.

Centre : a laser beam, incorporated in the Badger System, enables to laying of pipes with a grade accuracy of less than an inch in 2,000 feet.

Bottom : 250-foot coils of Daymond corrugated polyethylene pipe, produced at Chatham, Ontario, St. Lazare, Quebec and Calgary, Alberta, are checked prior to shipment.





Last, but by no means least, in the multitude of roles Canada and Dominion plays in the Canadian economy is that performed by the Agricultural Consulting Services Division. During the past year, special surveys have been undertaken by this division in Ontario, Quebec and Western Canada of specific problems in agricultural drainage and production. Recommendations made will certainly have a long-range bearing on both quality and quantity of crop yields in many areas. A significant amount of work has also been completed in the Great Lakes area of U.S.A. and in Florida.

As these facts clearly indicate, Canada and Dominion Sugar Company Limited, through its divisions and associated companies, has played and will continue to play an important role in many segments of the Canadian economy as it moves forward with the nation.



Top : Badger Minor is used to lay agricultural drains on a southwestern Ontario farm.  
Centre left and right : gracious living is provided in the luxurious family room, left, and the living room of a typical dwelling in the Chatham housing project.  
Bottom : plastic film is inspected as it flows through a machine at Cello Bags Limited.



## Operating Divisions



### Redpath Division

#### Refineries

Montreal, Quebec  
Toronto, Ontario

#### Sales Offices and Warehouses

St. John's, Newfoundland  
Corner Brook, Newfoundland  
Grand Falls, Newfoundland  
Halifax, Nova Scotia  
Saint John, New Brunswick  
Quebec City, Quebec  
Montreal, Quebec  
Ottawa, Ontario  
Belleville, Ontario  
Toronto, Ontario

Hamilton, Ontario

London, Ontario  
Chatham, Ontario  
Windsor, Ontario  
Sudbury, Ontario  
Sault Ste. Marie, Ontario  
Thunder Bay, Ontario  
Winnipeg, Manitoba  
Grand Bank, Newfoundland  
Marystown, Newfoundland  
North Bay, Ontario



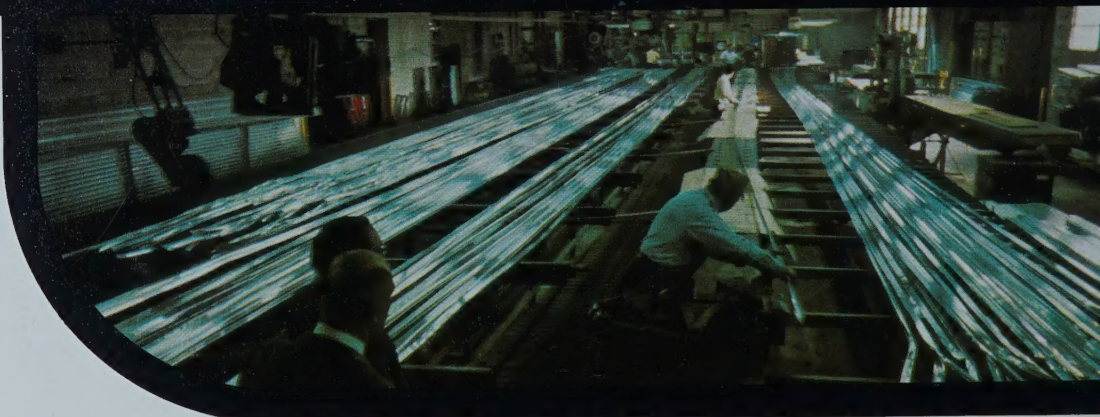
### Diamond Limited

#### Plants

St. Lazare, Quebec  
Toronto, Ontario  
Centralia, Ontario  
Chatham, Ontario (Two)  
Calgary, Alberta  
Vancouver, British Columbia

#### Sales Offices and Warehouses

Saint John, New Brunswick  
Levis, Quebec  
Montreal, Quebec  
Ottawa, Ontario  
Port Hope, Ontario  
Toronto, Ontario  
Burlington, Ontario  
Kitchener, Ontario  
Chatham, Ontario  
North Bay, Ontario  
Winnipeg, Manitoba  
Calgary, Alberta  
Vancouver, British Columbia



### Badger Systems Division

Chatham, Ontario

### Agricultural Consulting Services Division

Chatham, Ontario



### Cello Bags Limited

Toronto, Ontario